

KANSAS PUBLIC WATER SUPPLY CAPACITY DEVELOPMENT PROGRAM

Status Report

For
Fiscal Year 2004
EPA Capitalization Grant

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Kansas Department of Health and Environment
Division of Environment
Bureau of Water
Public Water Supply Section

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INTRODUCTION

This report is provided as required by Section 1420 of the 1996 Amendments to the Safe Drinking Water Act and to comply with EPA drinking water revolving loan fund Capitalization Grant requirements. Information is provided on activities conducted to implement the Kansas Capacity Development Assurance Program during Fiscal Year 2003, for the 2004 grant.

The Kansas Capacity Development Assurance Program consists of two components: 1) New System Capacity reviews and permitting; and 2) Implementation of the Capacity Development Strategy for Existing Public Water Supply Systems. This report is organized by these two components.

NEW SYSTEM REVIEWS

During FY 2003, there were no permit applications for new systems submitted. However, new system permit reviews were conducted for applications received in FY 2002. These systems and the status of the permit reviews are listed in Table 1.

The New System Permit Application consists of two parts. Part 1 is the engineering and design component, which is reviewed and approved by the Engineering and Permitting Unit. Upon approval of Part 1, a conditional permit or a letter of approval is issued authorizing construction of the public water supply system. Part 2 of the permit application is the technical, financial and managerial capacity assurance component. Before the system begins operation, the elements in Part 2 of the application must be completed and approved. A final inspection must also be conducted and approval to initiate operations must be granted by the Kansas Department of Health and Environment (KDHE).

Table 1 - Fiscal Year 2003 (FY04 Grant)

Public Water Supply System	Status
McPherson Co. RWD #6	Review Complete, Permit Issued
Public Wholesale Water Supply Dist. #13	Under Review, Permit Not Issued
Wheatland Electric (Garden City)	Under Review, Permit Not Issued

CAPACITY DEVELOPMENT STRATEGY FOR EXISTING SYSTEMS

Strategy Background

The Kansas Capacity Development Strategy for Existing Systems has eight recommendations developed by KDHE in cooperation with the Capacity Development Workgroup. Since EPA approval of the Strategy in September 2000, KDHE has worked to implement these recommendations. Table 2 below summarizes the implementation status of the eight recommendations in the Strategy.

Table 2 - Capacity Development Strategy Implementation Status

Recommendation	Implementation Status
TFM Surveys for all community water systems	Implemented
Require water use reports from all systems	Ongoing Imp.
Develop a PWS business planning guidebook	Not Implemented
Develop PWS finance training program	Under Development
Require all systems to install customer meters	Under Development
Expand KDHE “Survival Guides” for PWS	Not Implemented
Develop facilities management plan guidelines	Not Implemented
Develop board/council member training program	Under Development

In addition to state agency implementation activities, 3rd party technical assistance providers help public water supply systems address capacity development challenges. KDHE contracts with the Kansas Rural Water Association (KRWA) using the Small System Technical Assistance 2% Set Aside to provide assistance to small systems to help achieve Safe Drinking Water Act compliance, develop and maintain proper operation and maintenance procedures, develop appropriate financial and management procedures and provide technical assistance to systems using surface water as their source of supply. The goal of technical assistance provided under this contract is to help prevent Safe Drinking Water Act compliance problems before they occur. It is anticipated that this contract will be renewed with KRWA annually.

Other technical assistance providers, including the Midwest Assistance Program (MAP), League of Kansas Municipalities (LKM), Kansas Rural Water Finance Authority (KRWFA) and Kansas Section American Water Works Association (KsAWWA) provide a variety of assistance to public water suppliers as part of their ongoing activities.

Fiscal Year 2003 Implementation Activities

Implementation activities for FY 2003 focused on development of the Board/Council Continuing Education Program. In August 2002, KDHE met with TA providers to review existing training materials and to develop an outline to be used as the basis for a Kansas program. In November 2002, KDHE released a Request for Proposals based on the outline to solicit bids for development of the program. KDHE awarded the contract to the Kansas Rural Water Association in March 2003.

KRWA assembled a multi-disciplinarian team of experts to develop the continuing education program. The team includes an attorney, accountant, financial consultants, graphic designer, web designer, water district board members, KRWA staff and a Professor of Public Administration with expertise in adult learning theory. One of the first issues the team considered was how to develop a program that water board and city council members would participate in. The team sought guidance from TA providers, stakeholders and state agencies to develop an approach that would appeal to a broad-based audience. The program under development will accommodate a variety of learning preferences ranging from hands-on classroom training to interactive web-based self-study. This is accomplished through use of an inter-active CD/DVD with accompanying manual. As part of the contract, KRWA will train TA providers on classroom techniques using the CD and manuals. To encourage participation in the program, KDHE is developing incentives for board and council member participation.

These incentives include additional credit in the ranking system for SRF loans and for credit towards a Capacity Development Achievement Award for systems that demonstrate excellence in achieving and maintaining technical, financial and managerial capacity. The continuing education program, now called KanCap, is expected to be completed and ready for delivery to KDHE in March 2004.

KDHE is also in the process of prioritizing systems identified by the Capacity Development Survey as needing technical assistance. The survey scores will be used in conjunction with compliance data, drought vulnerable data and other information to prioritize systems in need. Other KDHE activities in FY 2003 included providing assistance to systems interested in regional cooperation and participation in Kansas Water Office planning activities related to the development of regional public water supply strategies.

During FY 2003, KRWA provided technical assistance to 170 small public water supply systems under the 2% Small System Technical Assistance Set Aside contract discussed in the Strategy Background Section. Assistance provided under this contract addressed many technical issues including surface water treatment, well testing, new operator training, nitrate compliance and record keeping. Technical assistance was also provided to address managerial issues such as personnel policies and line extension and new service connection policies. It is anticipated that KDHE will use the priority list discussed above to direct KRWA's future technical assistance efforts under the 2% small systems contract.

FUTURE ACTIVITIES

Two new programs will be added to the Capacity Development Strategy for Existing Systems in FY 2004. KDHE is developing a planning grant program for systems interested in regional cooperation. This grant program will provide cost-share funding for an initial feasibility study for projects that will benefit at least 3 systems. The second program under development will recognize water systems that demonstrate excellence in achieving and maintaining TFM capacity. Financial planning and rate-setting seminars will be conducted using software developed by the Environmental Finance Center at Boise State University. KDHE is purchasing a statewide license that any Kansas public water supply system will be able to download and use free of charge. As part of the licensing agreement, the Finance Center will provide software training for Kansas TA providers. The TA providers will then conduct the seminars throughout the State. KDHE will also continue to review and approve new system applications as they are received.